Preparatory Process for the Third International Conference on FfD First drafting session: Trade, technology, innovation and capacity building 29 January 2015

Statement by Mr. Takeshi Osuga, Ambassador, Deputy Director-General for International Cooperation and Global Issues

Mr. Co-facilitator,

Trade is extremely important source of finance both for public and private sector. The rapid economic growth in our region, in East and Southeast Asia was largely supported by the export of manufactured goods.

Having said that, I have two quick points.

- First, for the sake of efficiently, to use our limited time, we should avoid duplicating the ongoing debate in WTO which have a focused mandate than the UN when it comes to trade.
- Second, the language with regard to regional trade agreements in the element paper doesn't seem balanced, highlighting mainly the negative aspects. As stated in the Doha Declaration, these agreements can facilitate long-term development and complement the multilateral trade regime.

On technology, its importance also goes without saying. Japan agrees to all the elements under the technology section of the co-chairs' elements paper, including the importance of intellectual property regimes, rule of law, regulatory framework, improving adaptive capacity of human resources, among others.

With regard to the policy framework for innovation, although we agree to the importance of fostering innovation domestically, in the short-term, it is much more effective for most countries to create a domestic investment environment to attract foreign direct investment with leading technologies. The economic growth in Asia I mentioned in the beginning followed this path. Concrete measures in this respect are those that will be mentioned in the private finance chapter.

Lastly, as I emphasized during the post-2015 Stocktaking Session last week, under the theme of "means of implementation", simply creating a new mechanism will not lead to dissemination of sustainable technologies. Creation of a new mechanism should not be seen as an objective in itself.

I thank you.